

AMENDED IN ASSEMBLY MARCH 29, 2005

CALIFORNIA LEGISLATURE—2005–06 REGULAR SESSION

ASSEMBLY BILL

No. 834

Introduced by Assembly Member Jones

February 18, 2005

An act to amend ~~Section 19549.6~~ Sections 19412, 19549.6, and 19610.8 of the Business and Professions Code, relating to horse racing, and making an appropriation therefor.

LEGISLATIVE COUNSEL'S DIGEST

AB 834, as amended, Jones. Horse racing: ~~California Exposition and State Fair.~~

Existing law defines various types of parimutuel pools, as specified.

This bill would permit harness racing results to be included in proposition parimutuel pool wagers.

Existing law requires the California Horse Racing Board to allocate racing weeks as it deems appropriate, while generally limiting harness racing in the northern zone to 25 weeks per year. Existing law provides a separate general limitation on racing by each fair of 14 days, or 3 weeks in certain circumstances. However, existing law provides that, notwithstanding these general limitations, the board may allocate additional weeks of harness racing to a lessee of the California Exposition and State Fair in Sacramento to be raced at the California Exposition and State Fair in Sacramento.

This bill would authorize the board to allocate these additional weeks of harness racing to ~~a lessee of the California Exposition and State Fair in Sacramento or to the California Exposition and State Fair itself~~ its lessee, to be raced at the California Exposition and State Fair in Sacramento.

Existing law permits the board, upon the request of the association or fair accepting the wager, and the organization of participating horsemen, to set the percentage deducted from the parimutuel pool for any new wager introduced after January 1, 2004, as specified, to be distributed as specified.

This bill would include proposition wagers with any new wager introduced for which the board sets the percentage deducted, and would prescribe an alternate distribution scheme for quarter horse racing commissions and purses.

Under existing law, revenues distributed to the state as license fees from horse racing are required to be distributed in the Fair and Exposition fund and are continuously appropriated to the Department of Food and Agriculture for various regulatory and general governmental purposes.

By providing for state license fees of 3% for new types of wagers that otherwise would be subject to lower state license fees as exotic wagers, this bill would increase the amount of continuously appropriated license fees, thereby making an appropriation.

Vote: ~~majority~~^{2/3}. Appropriation: ~~no~~-yes. Fiscal committee: yes. State-mandated local program: no.

The people of the State of California do enact as follows:

- 1 SECTION 1. Section 19412 of the Business and Professions
- 2 Code is amended to read:
- 3 19412. (a) "Conventional parimutuel pool" means the total
- 4 wagers under the parimutuel system on any horse or horses in a
- 5 particular race to win, place, or show.
- 6 (b) "Exotic parimutuel pool" means the total wagers under the
- 7 parimutuel system on the finishing position of two or more
- 8 horses in a particular race, such as quinella or exacta wagers, or
- 9 on horses to win two or more races, such as daily double wagers,
- 10 pick six wagers, or on other wagers approved by the board.
- 11 (c) "Proposition parimutuel pool" means the total wagers
- 12 under the parimutuel system on propositions approved by the
- 13 board that are based on the results of a live quarter horse or
- 14 harness horse race or races. ~~The total wagers made in the~~
- 15 ~~proposition parimutuel pool are subject to the same licensee fee~~
- 16 ~~as exotic wagers on a live quarter horse race, and commissions~~
- 17 ~~and purses shall be distributed in the amounts mutually agreed~~

~~upon by the association conducting the meeting and the organization representing the horsemen and horsewomen.~~

~~SECTION 1.~~

SEC. 2. Section 19549.6 of the Business and Professions Code is amended to read:

19549.6. Notwithstanding subdivision (b) of Section 19531 and ~~Section Sections 19540, 19546, and 19549~~, the board may allocate additional weeks of harness racing to ~~a lessee of the California Exposition and State Fair in Sacramento or to the California Exposition and State Fair itself~~; *its lessee*, to be raced at the California Exposition and State Fair in Sacramento.

SEC. 3 *Section 19610.8 of the Business and Professions Code is amended to read:*

19610.8. Notwithstanding any other provision of law, and in lieu of any deduction and distribution provided for in this chapter, upon the joint request of the association or fair accepting the wager, and the organization representing the horsemen participating in the meeting of the association or fair accepting the wager, the board may set the total percentage deducted from the parimutuel pool for *proposition wagers and* any new type of wager introduced after January 1, 2004, in an amount of at least 10 percent and not more than 30 percent of the amount handled in the parimutuel pool for the wager. Three percent of the amount deducted shall be paid to the state as a license fee and, if the wager was placed at a satellite wagering facility or a location other than the host racing association, eight percent *of the amount deducted* shall be paid to the satellite wagering facility or to the entity that processed the wager. In addition, with respect to thoroughbred racing only, three percent of the amount remaining after the payment of the state license fee and payment to a satellite wagering facility or an entity that processed the wager, if any, shall be deposited with the official registering agency pursuant to subdivision (a) of Section 19617.2, and shall thereafter be distributed in accordance with subdivisions (b), (c), and (d) of Section 19617.2. Thereafter, for all kinds of racing, *except quarter horse racing*, the remaining amount shall be distributed 50 percent to the association conducting the racing meeting and 50 percent to the horsemen participating in the racing meeting as purses. *With regard to quarter horse racing, commissions and purses shall be distributed in the amounts*

- 1 *mutually agreed upon by the association conducting the meeting*
- 2 *and the organization representing the horsemen and*
- 3 *horsewomen.*

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